



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Conduct a Public Hearing to consider and approve the reallocation of available Community Development Block Grant (CDBG) and HOME Program Income for an affordable housing project.

MEETING DATE: November 7, 2007

PREPARED BY: Community Development Department

RECOMMENDED ACTION: That the City Council conduct a public hearing to consider and approve the reallocation of available Community Development Block Grant (CDBG) and HOME Program Income for an affordable housing project.

BACKGROUND INFORMATION: The City is pursuing an affordable housing project on land currently owned by Union Pacific Railroad (UP). In the course of developing a Request For Proposal (RFP) for that project, the City has pledged \$1.2 million toward the acquisition of the land for this project.

In 2006, the City Council authorized a CDBG allocation in the amount of \$330,000 from that year's funding. In addition to that, the Housing Assistance Loan Programs that the City Council has been funding each year with CDBG and HOME funding, have provided approximately \$1,477,000 in program income through the repayment of down-payment assistance and housing rehabilitation loans. That program income is automatically reprogrammed back into the Housing Assistance Program, to continue to assist first-time homebuyers and/or low income residents.

If an affordable housing project was feasible for the intended railroad property site, our intent has been to reallocate \$870,000 of that program income, to combine with the 2006 allocation of \$330,000, to meet the \$1.2 million pledged to the affordable housing project. As the City Council has just completed the process of selecting a developer to work with on this project and has authorized the City Manager to initiate negotiations with UP, it is recommended that the funds be set aside.

FISCAL IMPACT: The reallocation will draw funding from the following sources to add to the 2006 allocation (LOD 06-11):

CDBG Home Rehab	\$388,243.20
CDBG GAP	\$62,157.16
HOME Rental Rehab	\$29,863.91
HOME Habitat	\$119,403.91
HOME Other	<u>\$263,675.00</u>
TOTAL	\$863,343.18

APPROVED: _____
Blair King, City Manager

The reallocation will reduce the funding available within the existing Housing Assistance Programs but not deplete it. There is still a sufficient balance left within that program to fund several loan applications that are currently being processed, and still have funding available for one or two more applications this year.

This reallocation will increase the balance within Project LOD 06-11 to \$1,193,343.10. The remaining \$6,656.90 will be administratively reallocated from other CDBG funding from completed projects with unexpended balances to complete the \$1.2 million pledged to the affordable housing project.

FUNDING AVAILABLE: Federal Community Development Block Grant and HOME Program Funds

Kirk Evans, Budget Manager

Randy Hatch
Community Development Director

RH/jw

Attachment

RESOLUTION NO. 2007- ____

A RESOLUTION OF THE LODI CITY COUNCIL APPROVING THE
REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG) AND HOME PROGRAM INCOME FOR AN
AFFORDABLE HOUSING PROJECT

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WHEREAS, a total of \$330,000 in CDBG funds was allocated toward land acquisition for an affordable housing project as part of the 2006/07 annual allocation of CDBG/HOME Program funding; and

WHEREAS, the City of Lodi has pledged to provide a total of \$1.2 million toward the acquisition of land for a proposed affordable housing project; and

WHEREAS, on October 3, 2007, the Lodi City Council selected a developer for the proposed affordable housing project, and has subsequently authorized the City Manager to enter into negotiations with Union Pacific Railroad (UP) for acquisition of land for this project; and

WHEREAS, the City of Lodi has a balance of program income available in the Housing Assistance Program from previous down-payment assistance and housing rehabilitation loans that have been paid back in the past few years.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the reallocation of \$863,343.18 in available CDBG and HOME Program income, as indicted below, to project LOD 06-11;

CDBG Home Rehab	\$388,243.20
CDBG GAP	\$62,157.16
HOME Rental Rehab	\$29,863.91
HOME Habitat	\$119,403.91
HOME Other	<u>\$263,675.00</u>
TOTAL	<u>\$863,343.18</u>

BE IT FURTHER RESOLVED that these funds, along with the previously allocated \$330,000, will be used for the acquisition of land for an affordable housing project.

Dated: November 7, 2007

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I hereby certify that Resolution 2007-____ was passed and adopted by the Lodi City Council in a regular meeting held on November 7, 2007, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2007-____



*Please immediately confirm receipt
of this fax by calling 333-6702*

CITY OF LODI
P. O. BOX 3006
LODI, CALIFORNIA 95241-1910

ADVERTISING INSTRUCTIONS

SUBJECT: PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE
COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM
INCOME FOR AN AFFORDABLE HOUSING PROJECT

PUBLISH DATE: SATURDAY, OCTOBER 20, 2007

LEGAL AD

TEAR SHEETS WANTED: One (1) please

SEND AFFIDAVIT AND BILL TO: RANDI JOHL, CITY CLERK
City of Lodi
P.O. Box 3006
Lodi, CA 95241-1910

DATED: THURSDAY, OCTOBER 18, 2007

ORDERED BY: RANDI JOHL
CITY CLERK


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

CYNTHIA MURPHY
ADMINISTRATIVE CLERK

Verify Appearance of this Legal in the Newspaper – Copy to File

LNS Faxed to the Sentinel at 369-1084 at 2:40 (time) on 10/18/07 (date) 2 (pages)
Phoned to confirm receipt of all pages at _____ (time) _____ CH _____ CM _____ JMP (initials)



DECLARATION OF POSTING

PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM INCOME FOR AN AFFORDABLE HOUSING PROJECT

On Friday, October 19, 2007, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider reallocation of available Community Development Block Grant and HOME Program income for an affordable housing project (attached and marked as Exhibit A), was posted at the following locations:


Lodi Public Library
Lodi City Clerk's Office
Lodi City Hall Lobby
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 19, 2007, at Lodi, California.

ORDERED BY:

**RANDI JOHL
CITY CLERK**


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

CYNTHIA MURPHY
ADMINISTRATIVE CLERK



DECLARATION OF MAILING

PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM INCOME FOR AN AFFORDABLE HOUSING PROJECT

On October 18, 2007, in the City of Lodi, San Joaquin County, California, I deposited in the United States mail, envelopes with first-class postage prepaid thereon, containing a Public Hearing to consider reallocation of available Community Development Block Grant and HOME Program income for an affordable housing project, attached hereto Marked Exhibit A. The mailing list for said matter is attached hereto, marked Exhibit B.


There is a regular daily communication by mail between the City of Lodi, California, and the places to which said envelopes were addressed.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 18, 2007, at Lodi, California.

ORDERED BY:

RANDI JOHL
CITY CLERK, CITY OF LODI


JENNIFER M. PERRIN, CMC
DEPUTY CITY CLERK

CYNTHIA MURPHY
ADMINISTRATIVE CLERK



CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING

Date: November 7, 2007

Time: 7:00 p.m.

For information regarding this notice please contact:

Randi Johl

City Clerk

Telephone: (209) 333-6702

EXHIBIT A

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, November 7, 2007**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Reallocation of available Community Development Block Grant and HOME Program income for an affordable housing project.

Information regarding this item may be obtained in the Community Development Department, 221 West Pine Street, Lodi, (209) 333-6711. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 W. Pine Street, 2nd Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk at, or prior to, the public hearing.

By Order of the Lodi City Council:

A handwritten signature in black ink, appearing to be "Randi Johl", written over a circular stamp or seal.

Randi Johl
City Clerk

Dated: October 17, 2007

Approved as to form:

A handwritten signature in black ink, appearing to be "D. Stephen Schwabauer", written in a stylized, cursive manner.

D. Stephen Schwabauer
City Attorney

EXHIBIT B

PUBLIC HEARING TO CONSIDER REALLOCATION OF AVAILABLE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME PROGRAM INCOME FOR AN AFFORDABLE HOUSING PROJECT

MAILING LIST

Habitat for Humanity
Attn: Marilyn Fields
624 Palm Ave.
Lodi, CA 95240